

EXHIBIT 1
DATE 1-7-2011

43



Montana Department of Corrections

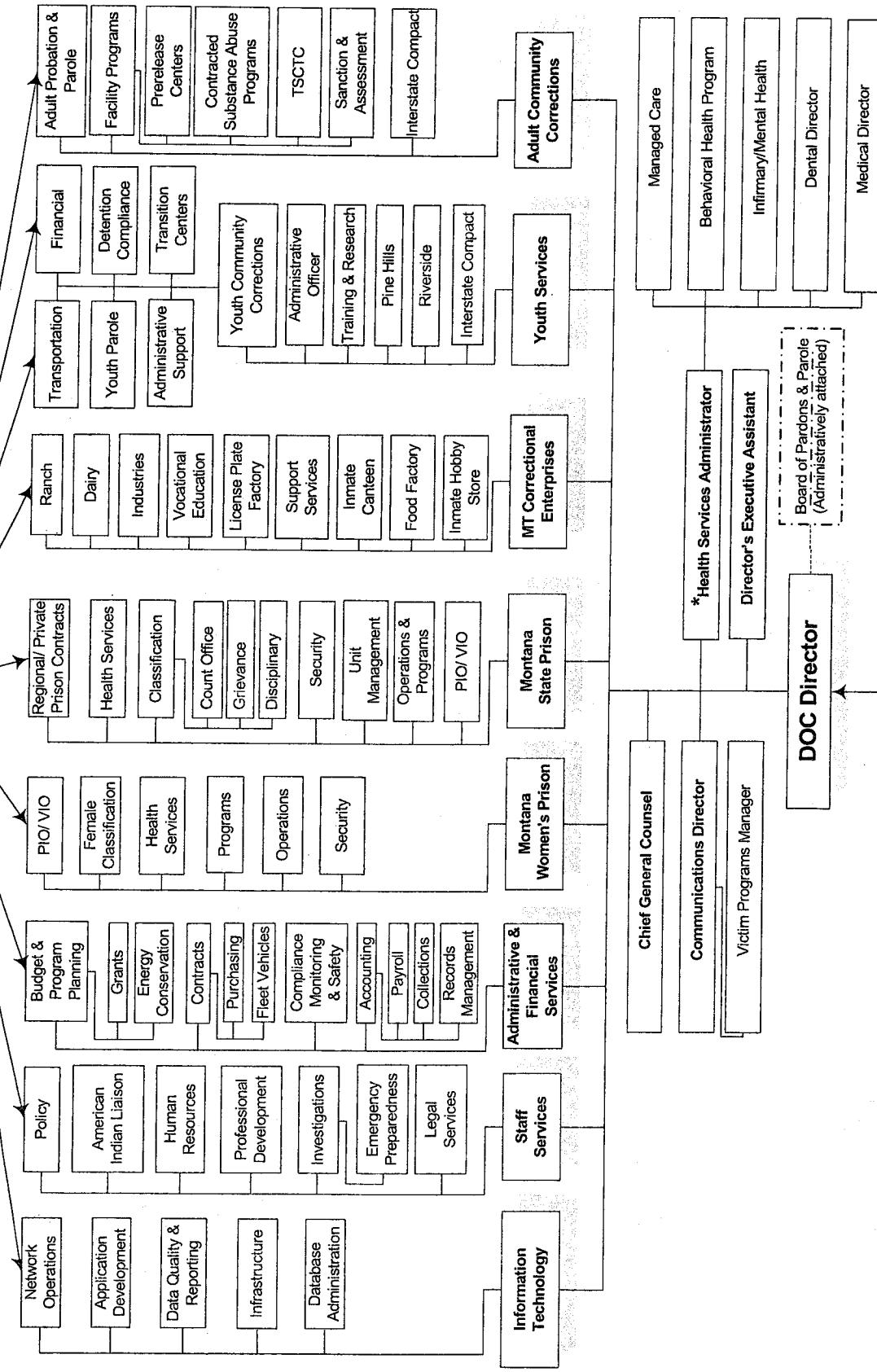
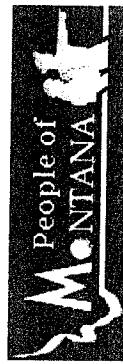
Jan. 7, 2011

Mission Statement

The
Montana Department of Corrections:

- Enhances public safety
- Promotes positive change in offender behavior
- Reintegrates offenders into the community
- Supports victims of crime

Department of Corrections 2010 Organizational Chart



Governor Brian Schweitzer

*Temporary (effective 6/28/10-6/28/11)

DEPARTMENT OF CORRECTIONS



BRIAN SCHWEITZER, GOVERNOR

1539 11th AVENUE

STATE OF MONTANA

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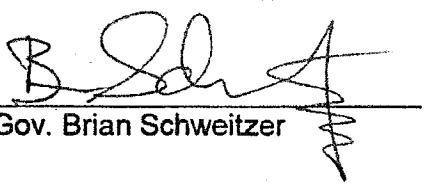
PO BOX 201301
HELENA, MONTANA 59620-1301

Corrections Principles

Since the beginning of the Schweitzer administration, Department of Corrections' issues have been of primary importance. Faced with a constantly growing adult offender population, increasingly difficult juvenile offenders, overcrowded prisons, heavy workloads and thousands of felony arrest warrants waiting to be served, the administration recognizes the need for clear policy and direction.

The following are Gov. Brian Schweitzer's guiding principles for corrections:

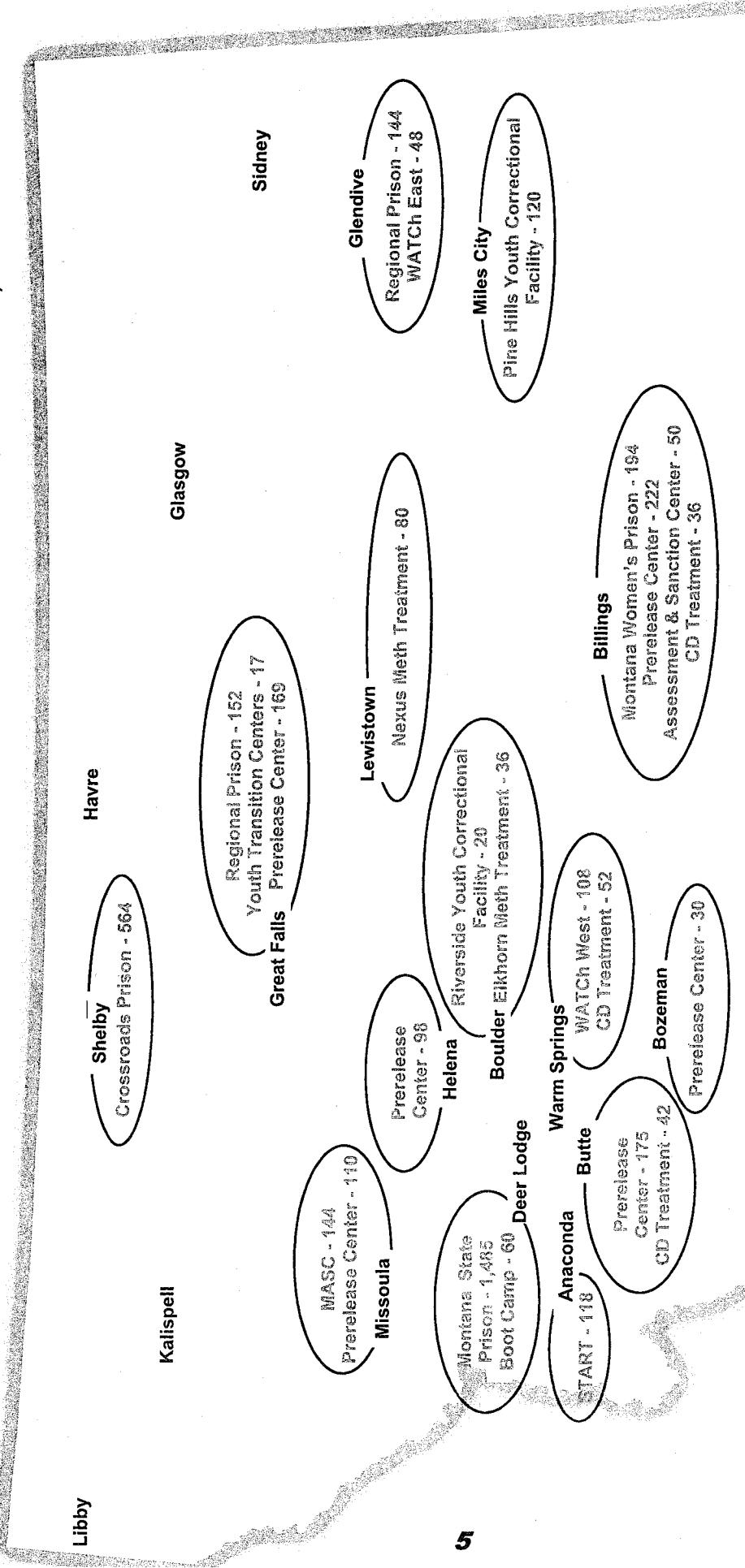
- Public safety underlies all decisions.
- The needs of crime victims and the obligation of offenders to make restitution to those victimized by their crimes will be recognized by corrections programs and officials.
- Rehabilitation services, with an emphasis on community programs, are essential in restoring offenders to productive, law-abiding citizens.
- Society, through its government, is responsible for managing offenders; government correctional facilities are preferred over private, for-profit operations.
- Incarceration of offenders should take place in Montana rather than out of state.


Gov. Brian Schweitzer


Director Mike Ferriter

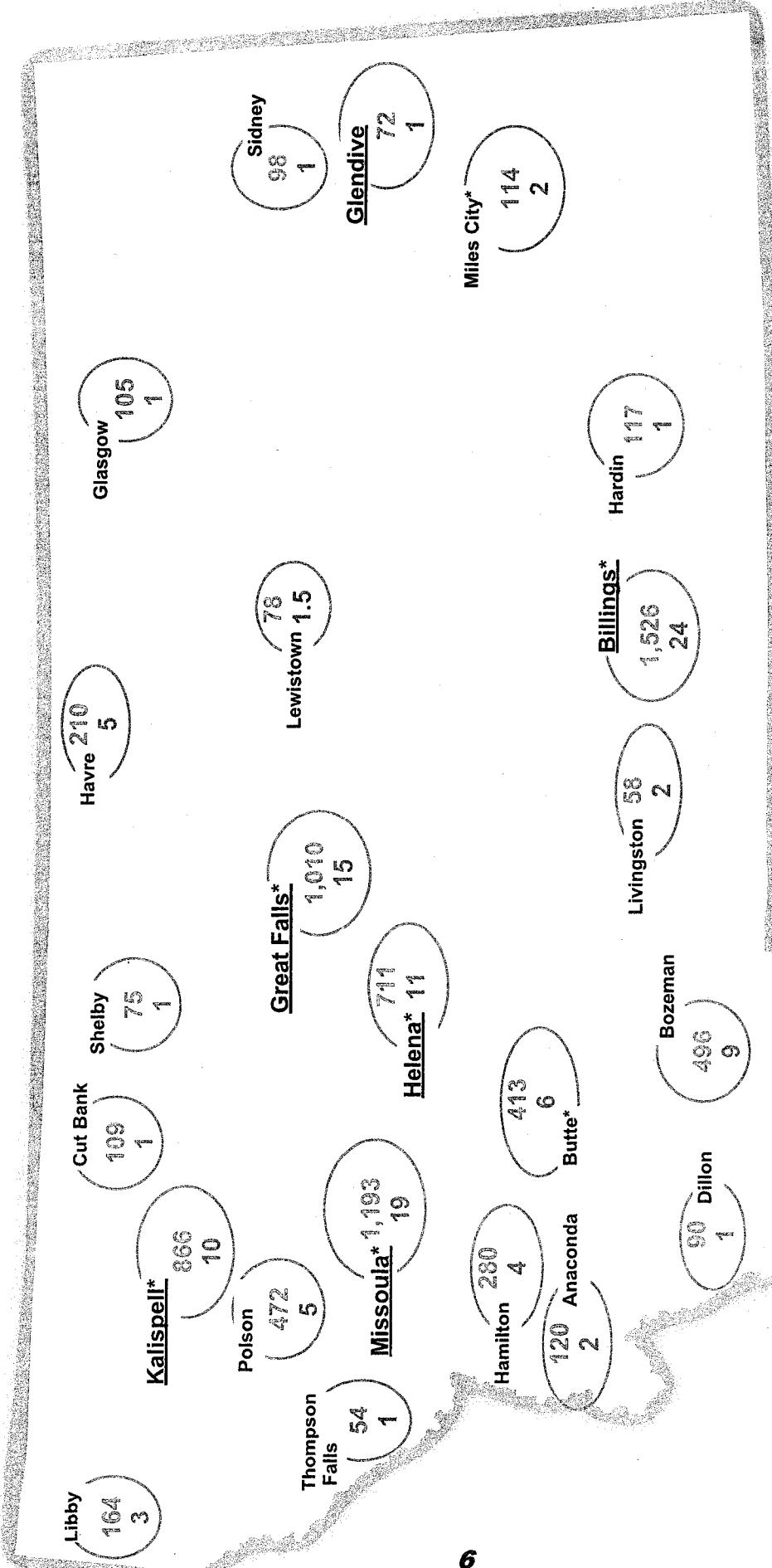
Locations and Capacities of Corrections Programs and Facilities*

(Does not include transitional living, day reporting, intensive or enhanced supervision - 536)



Probation & Parole Offices, Caseloads and Officers

(Numbers are as of July 2010 - Does not include 16 institutional probation and parole officers)



Regional offices
 Number of offenders
 Number of probation/parole officers

NOTE: Excludes 8 federal grant-funded officers (2 in Butte, one each in Cut Bank, Glasgow, Hamilton, Hardin and Havre)

*Denotes locations of juvenile parole offices

County of Sentence

6/30/2010

| County ¹ | Count of All Active DOC Offenders ² | Number Per 1000 County Population | | Number Per 1000 County Population | | Count of Offenders on P & P ⁴ | Number Per 1000 County Population | | Estimated Population on July 1, 2009 |
|---------------------|---|--|------------|--|------------|--|--|------------|--|
| | | Count of Inmates ³ | Population | Count of Inmates ³ | Population | | County | Population | |
| Yellowstone | 2,076 | 14.3 | 391 | 2.7 | 1,384 | 9.6 | | | 144,797 |
| Missoula | 1,971 | 18.1 | 346 | 3.2 | 1,398 | 12.9 | | | 108,623 |
| Flathead | 1,645 | 18.4 | 236 | 2.6 | 1,239 | 13.8 | | | 89,624 |
| Cascade | 1,539 | 18.7 | 294 | 3.6 | 1,072 | 13.0 | | | 82,178 |
| Lewis and Clark | 1,213 | 19.6 | 174 | 2.8 | 872 | 14.1 | | | 61,942 |
| Gallatin | 859 | 9.5 | 149 | 1.6 | 626 | 6.9 | | | 90,343 |
| Lake County | 628 | 22.0 | 105 | 3.7 | 407 | 14.2 | | | 28,605 |
| Ravalli | 575 | 14.2 | 115 | 2.8 | 403 | 10.0 | | | 40,431 |
| Silver Bow | 420 | 12.7 | 96 | 2.9 | 251 | 7.6 | | | 32,949 |
| Hill | 353 | 21.2 | 68 | 4.1 | 220 | 13.2 | | | 16,632 |
| Lincoln | 287 | 15.3 | 43 | 2.3 | 212 | 11.3 | | | 18,717 |
| Custer | 186 | 16.6 | 52 | 4.6 | 114 | 10.2 | | | 11,189 |
| Big Horn | 168 | 12.9 | 19 | 1.5 | 117 | 9.0 | | | 13,015 |
| Richland | 153 | 16.4 | 25 | 2.7 | 117 | 12.6 | | | 9,313 |
| Dawson | 146 | 17.1 | 22 | 2.6 | 110 | 12.9 | | | 8,558 |
| Rosebud | 140 | 15.1 | 21 | 2.3 | 99 | 10.7 | | | 9,258 |
| Powell | 138 | 19.5 | 55 | 7.8 | 72 | 10.2 | | | 7,089 |
| Park | 137 | 8.6 | 27 | 1.7 | 101 | 6.3 | | | 15,941 |
| Fergus | 133 | 11.9 | 25 | 2.2 | 88 | 7.9 | | | 11,208 |
| Beaverhead | 131 | 14.6 | 13 | 1.4 | 109 | 12.1 | | | 8,976 |
| Deer Lodge | 126 | 14.3 | 29 | 3.3 | 83 | 9.4 | | | 8,792 |
| Sanders | 119 | 10.7 | 28 | 2.5 | 79 | 7.1 | | | 11,096 |
| Glacier | 109 | 8.0 | 19 | 1.4 | 74 | 5.5 | | | 13,550 |
| Mineral | 108 | 28.2 | 18 | 4.7 | 85 | 22.2 | | | 3,833 |
| Carbon | 97 | 9.9 | 6 | 0.6 | 86 | 8.8 | | | 9,756 |
| Jefferson | 90 | 7.8 | 9 | 0.8 | 72 | 6.3 | | | 11,470 |
| Stillwater | 81 | 9.2 | 14 | 1.6 | 61 | 6.9 | | | 8,786 |
| Teton | 72 | 11.8 | 9 | 1.5 | 54 | 8.9 | | | 6,088 |
| Toole | 71 | 13.8 | 20 | 3.9 | 46 | 8.9 | | | 5,151 |
| Pondera | 63 | 10.8 | 16 | 2.8 | 42 | 7.2 | | | 5,814 |
| Broadwater | 61 | 12.7 | 8 | 1.7 | 46 | 9.6 | | | 4,793 |
| Musselshell | 53 | 11.5 | 6 | 1.3 | 37 | 8.0 | | | 4,600 |
| Valley | 53 | 7.8 | 7 | 1.0 | 41 | 6.1 | | | 6,771 |
| Madison | 52 | 7.0 | 8 | 1.1 | 43 | 5.8 | | | 7,457 |
| Roosevelt | 52 | 5.0 | 6 | 0.6 | 43 | 4.2 | | | 10,303 |
| Blaine | 50 | 7.7 | 12 | 1.9 | 28 | 4.3 | | | 6,485 |
| Sheridan | 36 | 11.1 | 6 | 1.9 | 29 | 8.9 | | | 3,243 |
| Chouteau | 31 | 6.0 | 5 | 1.0 | 23 | 4.5 | | | 5,167 |
| Phillips | 31 | 7.9 | 7 | 1.8 | 22 | 5.6 | | | 3,944 |
| McCone | 29 | 17.9 | 2 | 1.2 | 22 | 13.5 | | | 1,624 |
| Fallon | 28 | 10.3 | 5 | 1.8 | 18 | 6.6 | | | 2,725 |
| Sweet Grass | 27 | 7.4 | 3 | 0.8 | 22 | 6.0 | | | 3,667 |
| Granite | 21 | 7.3 | 2 | 0.7 | 19 | 6.6 | | | 2,879 |
| Meagher | 14 | 7.3 | 1 | 0.5 | 13 | 6.8 | | | 1,908 |
| Wheatland | 14 | 6.8 | 1 | 0.5 | 10 | 4.9 | | | 2,044 |
| Treasure | 10 | 16.3 | 2 | 3.3 | 8 | 13.1 | | | 612 |
| Prairie | 9 | 8.1 | 2 | 1.8 | 6 | 5.4 | | | 1,108 |
| Judith Basin | 8 | 3.9 | 3 | 1.5 | 5 | 2.4 | | | 2,051 |
| Wibaux | 8 | 8.9 | 1 | 1.1 | 7 | 7.8 | | | 897 |
| Carter | 6 | 5.0 | 1 | 0.8 | 5 | 4.2 | | | 1,202 |
| Daniels | 6 | 3.5 | 0 | 0.0 | 6 | 3.5 | | | 1,703 |
| Garfield | 5 | 4.3 | 0 | 0.0 | 5 | 4.3 | | | 1,173 |
| Petroleum | 5 | 11.4 | 1 | 2.3 | 4 | 9.1 | | | 440 |
| Golden Valley | 4 | 3.8 | 0 | 0.0 | 4 | 3.8 | | | 1,057 |
| Liberty | 3 | 1.7 | 1 | 0.6 | 2 | 1.1 | | | 1,748 |
| Powder River | 3 | 1.8 | 1 | 0.6 | 2 | 1.2 | | | 1,664 |
| Total | 15,338 | 15.7 | 2,570 | 2.6 | 10,930 | 11.2 | | | 974,989 |

¹ County is based on last Sentence Date of legal judgments entered in OMIS

² Some offenders are not included due to pending entry of legal judgments or are out of state transfers.

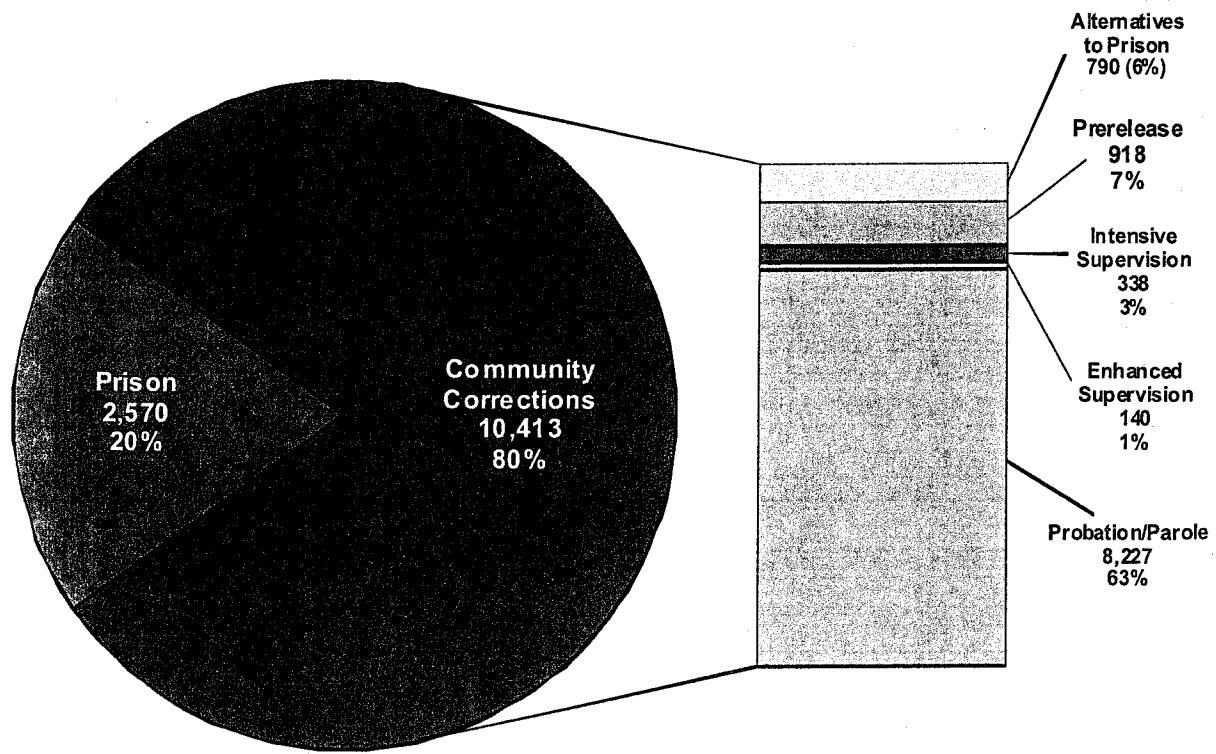
³ Inmates include MWP, MSP, Regional and Private Prisons, Interstate Compact Inmates and Inmates Out to Court.

⁴ Probation and Parole includes Probation, Parole, ISP, and Conditional Release

⁵ <http://ceic.mt.gov/estimate/pop/County/CO-EST2009-01-30.htm> - Updated March 2010

Distribution of Offender Daily Population

12,983 offenders under DOC jurisdiction on June 30, 2010



This "snapshot" of the offender population is an easy way of picturing the corrections system in Montana. Rather than an annual daily average, the chart shows the distribution of offenders at a single point in time: the end of fiscal year 2010.

On that final day of June, 79.8 percent of all offenders were managed in programs and facilities outside of prison in community corrections-based programs. This distribution reflects the department's goal of maintaining 80 percent of offenders outside of prison.

Of the 10,354 supervised offenders not in prison, nearly eight out of every 10 were on probation or parole.

Offender Distribution by Costs Per Day FY2010

Percent of total
Offender Population

17%

Community Corrections
Alternatives
\$59.36-\$192.70

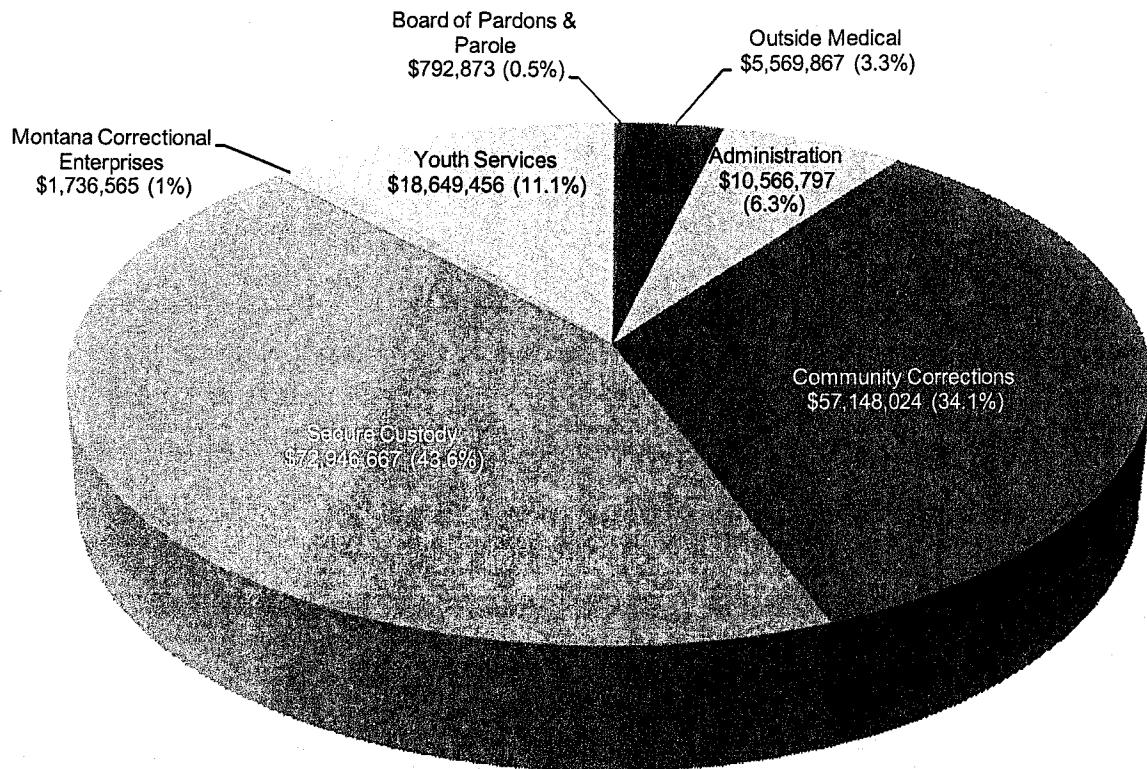
20%

Secure Care
\$88.34

63%

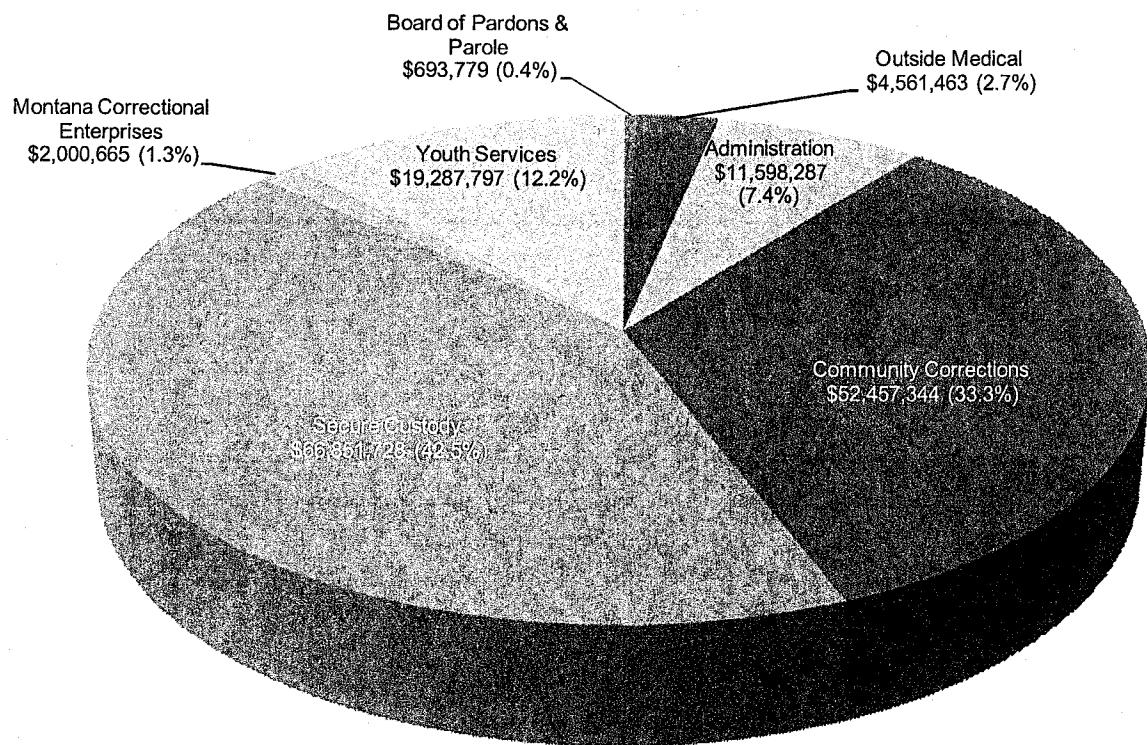
Probation/Parole
\$5.12

General Fund Expenditures - FY2010

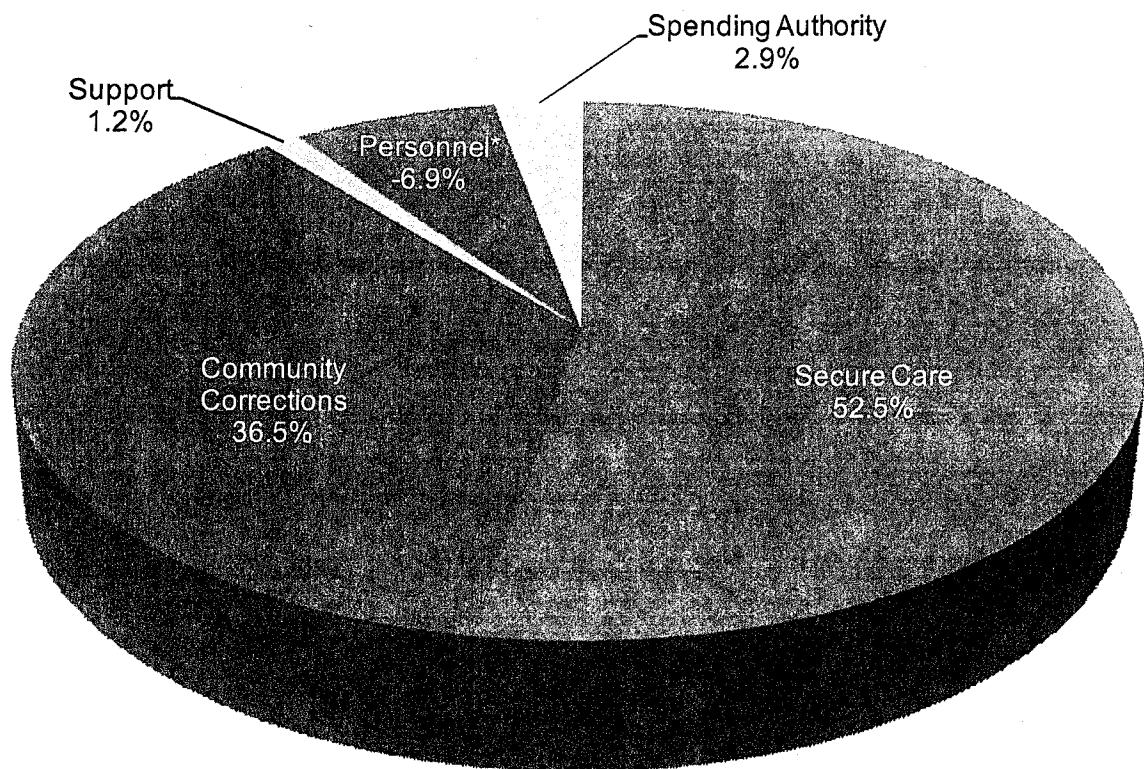


*Board of Pardons and Parole is administratively attached

General Fund Expenditures - FY2008



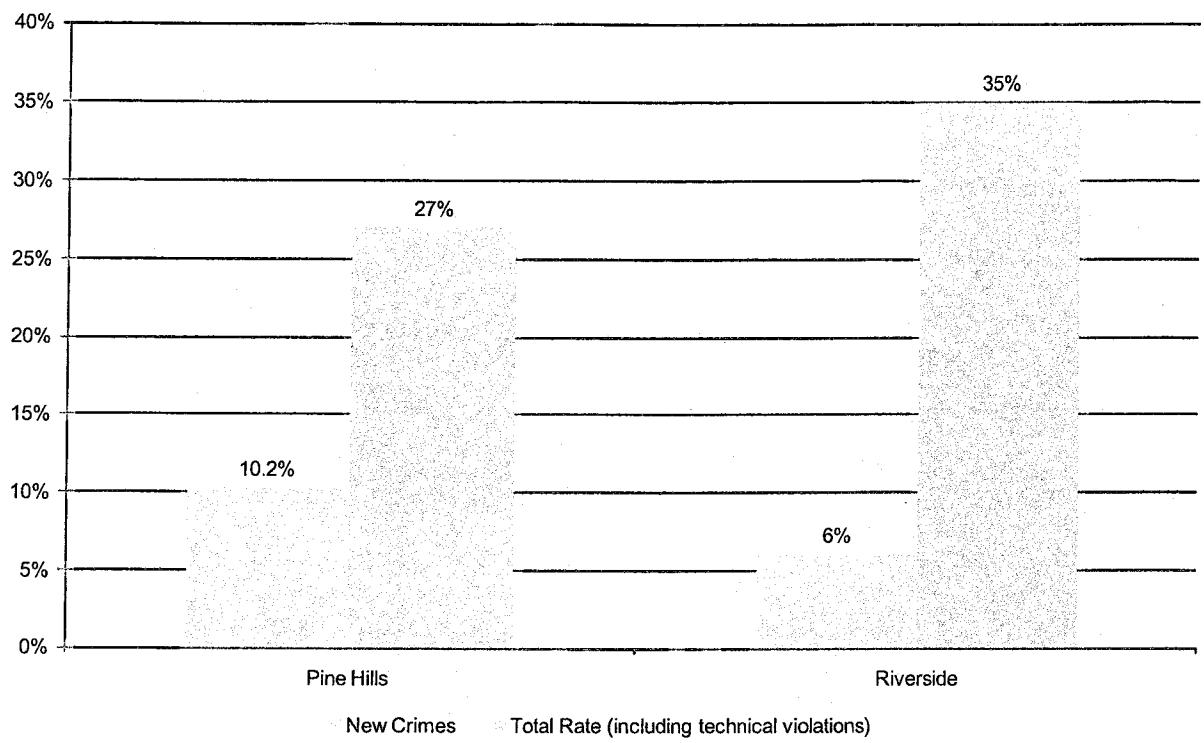
DOC Decision Packages by Category FY2012-13



*Reflects a \$2 million net decrease due to a reduction of 20.5 full-time-equivalent employees

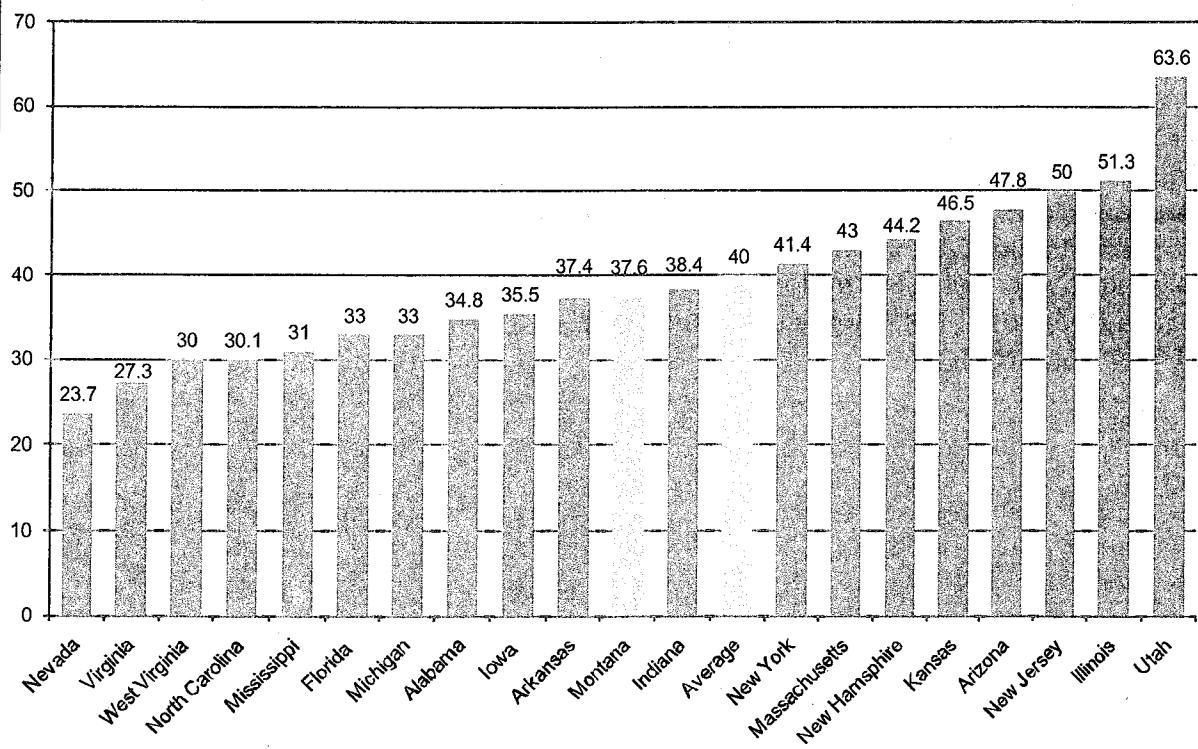
The decision packages requested by the Department of Corrections, totaling \$25.1 million, are dominated by funding specific to secure care and community corrections programs. Together, those programs account for 89 cents out of every dollar requested in the decision packages. Secure care's requests total \$15.3 million and community corrections's total is \$10.6 million. The remainder is divided among personnel (-\$2 million), increased spending authority (\$849,000) and support services (\$344,097). The personnel request reflects a reduction of 20.5 full-time-equivalent employees during the coming biennium.

**3-year Average Annual Juvenile Recidivism Rates
by Facility and Reason
FY2008-2010**



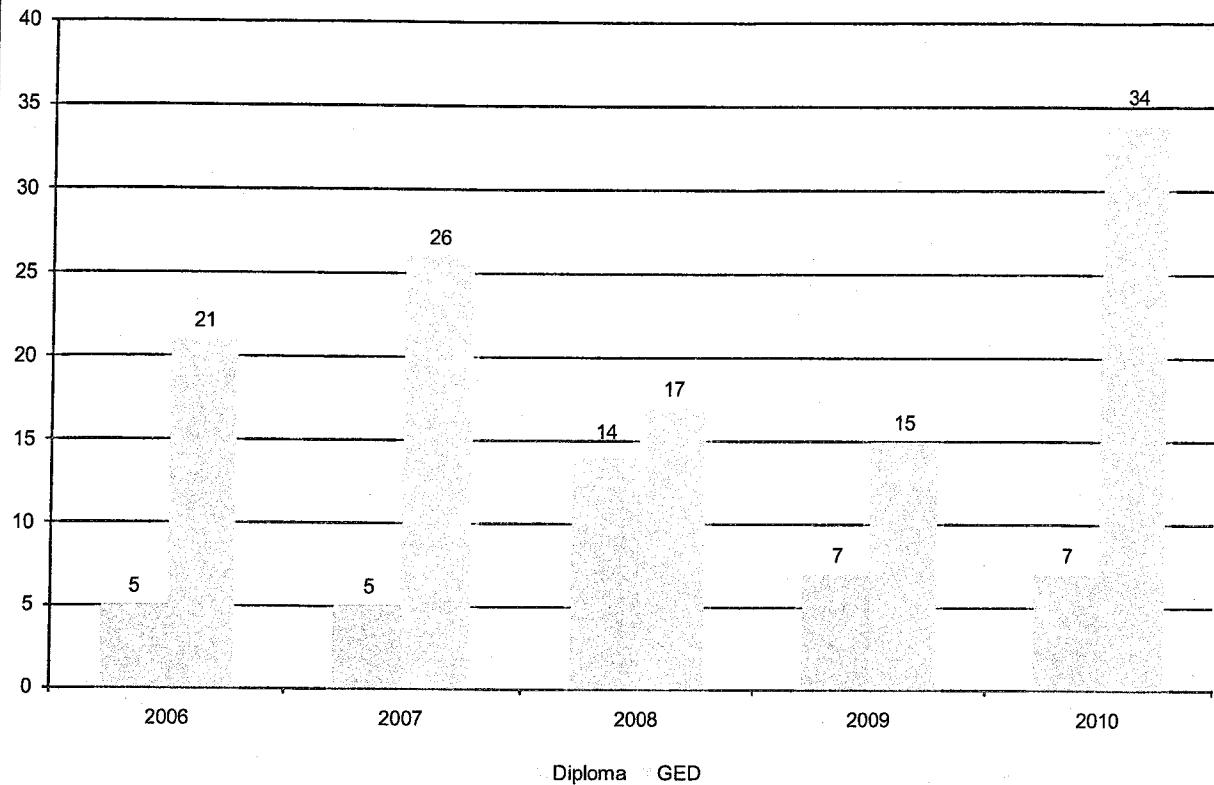
State Recidivism Rates From 2010 ASCA* Survey

(based on comparison of states with similar definitions of recidivism)

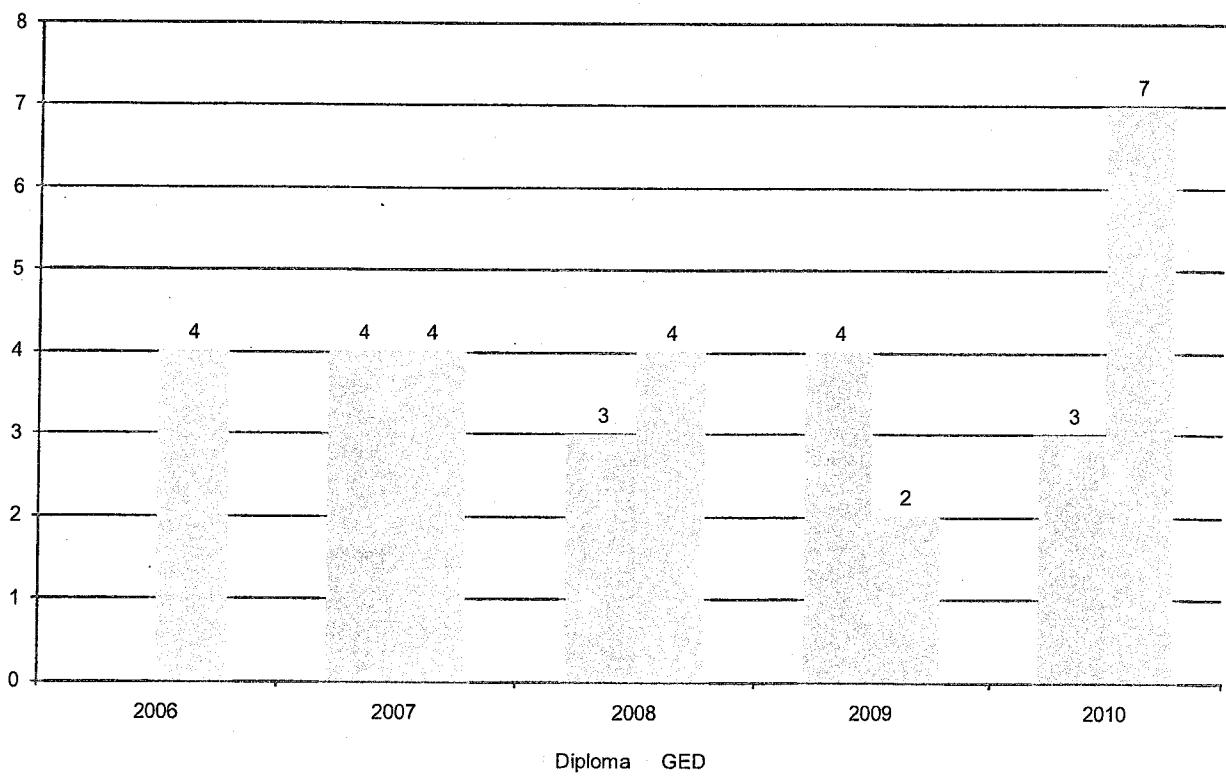


*Association of State Correctional Administrators

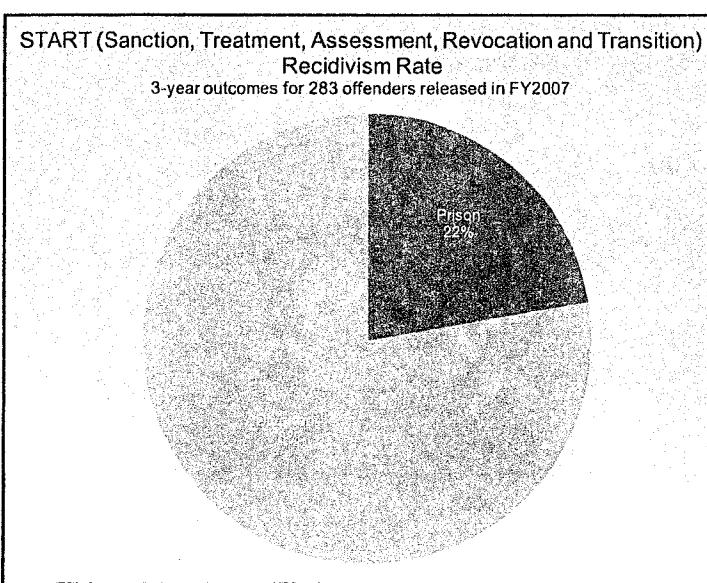
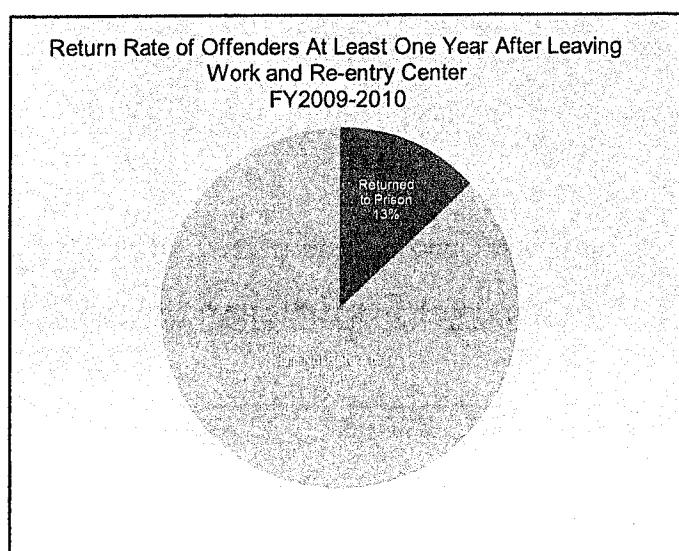
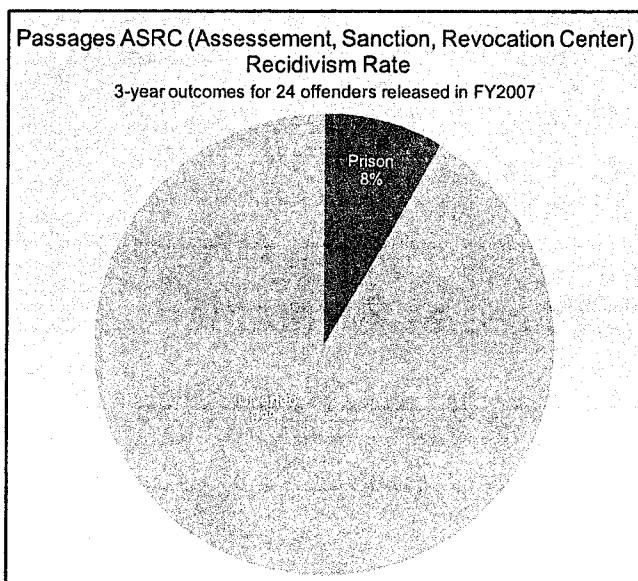
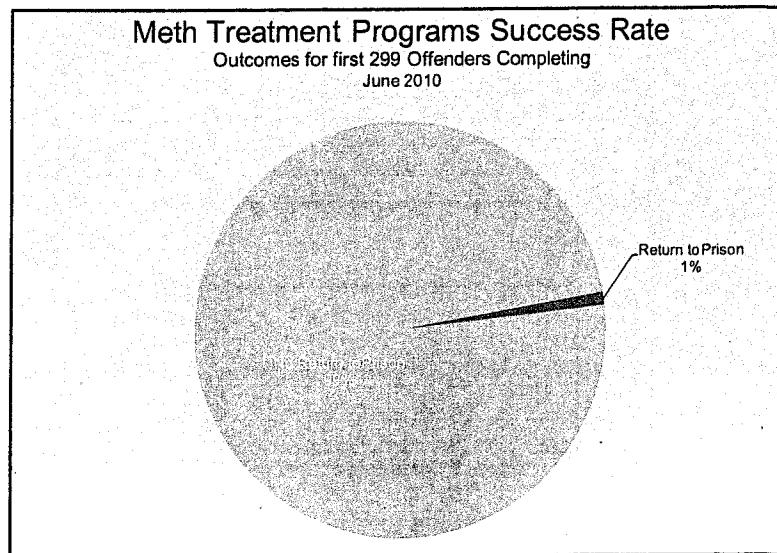
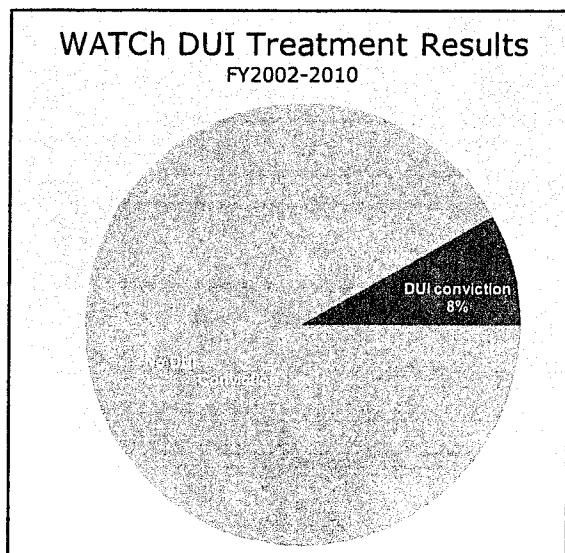
Annual Diplomas & GEDs Awarded at Pine Hills FY2006-2010



Annual Diplomas & GEDs Awarded at Riverside FY2006-2010



Program Effectiveness



Montana's emphasis on treatment programs for offenders has produced positive results. From the WATCh program for felony drunken-driving offenders at Warm Springs and Glendive to the START revocation center at Anaconda and from the meth treatment centers in Lewistown and Boulder to the Work and Re-entry Center at Montana State Prison, a large majority of offenders completing these programs are successful.